5.2 NEGOTIATE JOB OFFERS

What to Know

Sometimes you receive an offer you like in some ways but there are some things about it you do not like. Rather than turning down the offer, you may want to consider negotiating the terms of the offer with the employer. However, for the most part, employers will only enter into serious negotiations for upper level management and executive positions. Understand not all jobs will have flexibility in their salaries and that not all positions are negotiable depending on the type of job and organization.

Depending on the situation, money may be a negotiable issue. For example, say you are offered a position starting at \$12 per hour and you were hoping for \$15 per hour. You may be able to negotiate the salary and reach a compromise of \$13.50.

Remember, if the position is at a level to negotiate, almost anything can be the subject for negotiations. There may be several items open for negotiation. Before you decide to negotiate, however, you have to make some decisions.

- 1. Be sure that the issue is so serious you would not take the job unless it were changed. Remember, when you ask to negotiate, the employer may withdraw the offer. The employer may have other candidates who would be willing to take the job as offered. In some cases the employer may not be able to change the offer due to contract or budget limitations.
- 2. If money is the issue, be sure you know the salary range you will accept. Having a range is better than an exact figure because it allows for compromise. For example, it may be easier for an employer to provide more in benefits than in salary by providing perks, like free parking or tuition assistance.
- **3. Keep your military benefits in mind.** When you calculate the value of the many benefits, use it as a negotiation tool for your entry into the private sector. Online calculators are available and links are available on the transition website.

What to Do

Following are some general suggestions and guidelines on negotiating. Keep in mind the idea is to let the employer know you are very interested, but there are some things that make you uncomfortable. *Remember*, *always keep a positive attitude*.

1. Salary can be an issue to negotiate. Salary does not include benefits which are a large percentage of your annual earnings. Benefits may include health and/or life insurance, parking, flexible work hours, training/education opportunities, use of a company car, relocation assistance, administrative leave, sick leave, vacation, participation in professional associations, and so forth. Look at the total compensation package.

- **2. Do your homework and find out the salary range for the job.** Also, find out what working conditions are like throughout the industry. Be sure you get the information for the state or region in which the job is located.
- **3. Do not ignore job progression as a salary issue.** You can sometimes make a compromise by accepting the job at the salary offered and asking for a review sooner than company policy normally allows. Focus on what the job pays after two year's experience.

Negotiating in Person

An in-person discussion offers the advantage of allowing you to deal with the employer's objection on the spot. If the job you are applying for is one where an offer may be made at the end of the interview, you should be prepared to negotiate at that point. The following guidelines will be helpful in an in-person negotiation:

- 1. Be positive and polite. Thank the interviewer for the offer and express your interest in the position.
- 2. Mention the issues of concern and suggest compromises. If money is an issue, remember to suggest a range rather than a definite amount.
- 3. If you cannot reach agreement and you are uncertain about accepting the bottom-line offer, ask if you can think about it overnight and call the next day with your decision.

Negotiating in Writing

It is always preferable to negotiate in person, however, in some situations you may have no choice but to negotiate in writing. It can give you the opportunity to word your remarks carefully (without getting flustered). It gives the employer a chance to evaluate your ideas, talk them over with others, and to make a counter offer. It avoids instant refusal. If you decide to do this, ask for the employer's preference for delivery—via e-mail with attachment, in the text of an e-mail, USPS overnight, hand delivery, etc.

Remember to keep the letter positive and factual. Use the following rules to work your negotiation letter:

- 1. Express your appreciation for the offer.
- 2. Mention that you are interested but would like to suggest some changes before accepting the offer.
- 3. List the issues of concern and suggest specific changes.
- 4. Suggest you are confident a mutually satisfactory arrangement can be reached.
- 5. Request a personal meeting to discuss issues, and suggest a date.
- 6. Do this within 24 hours of the offer.

See the examples on the following pages.

44

From: TGaines@email.com To: Wallace@ABC.com

cc:

Subject: Employment with ABC Corporation

Dear Mr. Wallace:

Thank you for offering me the position as Supervisor of the Equipment Division. I am pleased at the opportunity to work for your firm. I will be happy to accept your offer if we can agree on the following modification.

As we discussed, based on my qualifications, work experience and market value, I am looking for a starting salary in the \$44,000-47,000 range. Please consider raising the salary offer to \$46,500 from your initial offer of \$42,000 after six months of successful performance in the position.

I am confident that we can reach a mutually satisfactory resolution. I will call on Tuesday morning and schedule an appointment to review the issue as well as the criteria for successful performance.

Again, thank you for the offer. I look forward to our meeting next week and to starting work.

Sincerely,

Thomas

Thomas Gaines 123 Hampton Way Archway, TX 12345

phone: (123) 456-7899 fax: (123) 456-7890 Robert Downing 600 Middletown Pike Baltimore, MD 12345 RobertDowning@email.com

February 1, 20XX

Ms. Billings Human Resource Manager ABC Company Baltimore, MD 21201

Dear Ms. Billings:

Thank you for offering me the position as Manager of the Accounting Department. I am most interested in working for your company and look forward to making a contribution to ABC. I will be happy to accept your offer if we can agree on the following modification.

As we discussed, based on my qualifications, work experience and market value, I am looking for a starting salary in the \$58,000-61,000 range. Can we explore the possibility of raising the salary offer to \$59,000 from your initial offer of \$56,800 after six months of successful performance in the position?

I am confident that we can reach a mutually satisfactory resolution. I will call Friday morning and schedule an appointment to discuss the issue, and the criteria for successful performance.

Again, thank you for the offer. I look forward to our next meeting and to starting work.

Sincerely,

Robert Downing